COMMISSIONERS

KRISTIN K. MAYES - Chairman
GARY PIERCE
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP





470

ARIZONA CORPORATION COMMISSION

March 19, 2009

**ORIGINAL** 

To: Docket Control

RE: Arizona American Water Company - Customer Comments Docket Nos. W-01303A-08-0227 and SW-01303A-08-0227

Please docket the attached \_\_\_\_\_\_ customer comments OPPOSING the above filed rate case.

Customer comments can be reviewed in E-docket under the above docket numbers.

Filed by: Utilities Division - Consumer Services

Arizona Corporation Commission

DOCKETED

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DOCKETED BY

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AZ GGRP COMMISSION

03-11-2009

To: Arizona Corporation Commission 1200 W. Washington St., Room 1 Phoenix, AZ 85007



# Docket No. W-01303A-08-0227 and SW-01303A-08-2007

Dear Commissioners,

Water is a necessity not something I can cut out of my budget as everything increases. Maybe AZ/AM Water needs to review its budget to see where they can cut the fat. I have no fat to cut in my budget.

I live in Sun City West, Arizona and am appalled by the ridiculously high rate increase requested by AZ/AZ Water. I am retired and living on a fixed income. I do not have the money to pay an increase of 79.96% in water rates.

Please protect us by drastically slashing the rate increase you allow AZ/AM Water to have. AZ/Am Water is asking for a 500% increase in operating income at a time when I and the entire country is in a financial mess. Your assistance will be greatly appreciated by me and all of the residents in Sun City West.

Sincerely

1 mi

Tiny Phillips

13418/W. Hyacinth Drive

Sun City West, AZ 85375

(623)466-0151

**Arizona Corporation Commission** 

1200 W. Washington Street, Room 1

Phoenix, AZ 85007

**Dear Commissioners:** 

We join many other retired citizens in our community to speak against the proposed exceedingly high water rate increase requested by the AZ/AM Water.

We do not feel that such an increase is warranted at a time when there are very serious problems with our entire economy. Food, gas and health care, among many other costs, are going up at an alarming rate and those of us who are living on a fixed income will be especially adversely affected by this drastic increase.

Please help and protect us by drastically reducing the rate increase requested by AZ/AM Water. Your assistance will be greatly appreciated by all the senior residents of Sun City West.

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13634 W. Aleppo Brive

Sun algures, Az 85375.

**Arizona Corporation Commission** 

1200 W. Washington Street, Room 1

Phoenix, AZ 85007

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Please help and protect us by drastically reducing the rate increase requested by AZ/AM Water. Your assistance will be greatly appreciated by all the senior residents of Sun City West.

Address:

Sincerely

13657 W BULER DR

JUNICITY WEST DZ 95375

**Arizona Corporation Commission** 

1200 W. Washington Street, Room 1

Phoenix, AZ 85007

**Dear Commissioners:** 

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Please help and protect us by drastically reducing the rate increase requested by AZ/AM Water. Your assistance will be greatly appreciated by all the senior residents of Sun City West.

Sincerely.

die L'Hatton)
Alice Patton Address:

18203 N. 136th Ave
Sun City West, Az 85375

March 1, 2009

**Arizona Corporation Commission** 

1200 W. Washington Street, Room 1

Phoenix, AZ 85007

**Dear Commissioners:** 

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We do not feel that such an increase is warranted at a time when there are very serious problems with our entire economy. Food, gas and health care, among many other costs, are going up at an alarming rate and those of us who are living on a fixed income will be especially adversely affected by this drastic increase.

Please help and protect us by drastically reducing the rate increase requested by AZ/AM Water. Your assistance will be greatly appreciated by all the senior residents of Sun City West.

Sincerely,

Sur City West AZ 85375-4738

RPORATION COMMISSION

#### UTILITY COMPLAINT FORM

**Investigator:** Trish Meeter

Phone:

Fax:

**Priority: Respond Within Five Days** 

**Opinion** 

No. 2009

77572

Date: 3/16/2009

Complaint Description:

08A Rate Case Items - Opposed

N/A Not Applicable

First:

Last:

**Complaint By:** 

Alan

Hyde

**Account Name:** 

Alan Hyde

Home: (000) 000-0000

Street:

n/a

Work:

City:

n/a

CBR:

State:

ΑZ

Zip: n/a

is: E-Mail

**Utility Company.** 

**Arizona - American Water Company** 

Division:

Water

Contact Name:

**Contact Phone** 

## **Nature of Complaint:**

3/16 REFERRED FROM CHAIRMAN MAYES' OFICE. DOCKET NO. W-01303A-08-0227 SW-01303A-08-0227

TUBAC WATER DISTRICT

From: I

Sent: Friday, Warch 13, 2009 2:24 PM

To: Mayes-WebEmail; Newman-Web; Kennedy-Web; Stump-Web; Pierce-Web

Subject: W-01303A-08-0227

#### Dear Commissioners,

As a Tubac resident and a customer of Arizona American Water Co., I wish to express my deep concern over the size of the pending rate increase request. According to the March 11 issue of the Santa Cruz Valley Sun, Arizona American seeks an increase of 226%, which would increase the monthly bills of average customers (such as ourselves) by about \$111.

The newspaper article states that \$62.89, or approximately 57%, of the \$111 average monthly increase is for the \$2.3 million arsenic removal facility mandated by the Federal government. If I have correctly done the math, and without making any provision for interest costs, etc., it appears that Arizona American seeks to recover its costs of the treatment facility in less than six years. This puts a disproportionate burden on the 535 present customers and very little on new customers in our growing community in future years. I understand that a more typical amortization period would be 30 years.

I also feel that we are being seriously disadvantaged by the small size of our local customer base. Arizona American owns a number of local utilities in Arizona, and I believe that they should be consolidated so as to

### ARIZONA CORPORATION COMMISSION

## **UTILITY COMPLAINT FORM**

spread the fixed operating costs over a wider base.

Finally, I note that there are a number of efforts in process that could significantly mitigate the costs that Arizona American will incur for arsenic treatment, including applications for loans and grants under the Federal stimulus program, efforts to secure the exemption of small water companies such as ours from the federal government's stringent arsenic limitations, and alternative arsenic treatments, such as point of use systems. I would urge that in view of all of these developments further Corporation Commission consideration of Arizona American's rate application be deferred until their outcome is known.

Alan Hyde \*End of Complaint\*

### **Utilities' Response:**

## **Investigator's Comments and Disposition:**

3/16/09

Dear Mr. Hyde,

Your comments regarding the Arizona American Water Co.'s application for a rate increase have been received through the Office of Chairman Mayes.

These comments will be made a part of the case and docketed through the Docket Control Dept. of the Arizona Corporation Commission.

A Public Comment Meeting is scheduled at the Tubac Community Center, 50 Ridge Rd., Tubac, AZ 85646 at 1:00 PM, Wednesday, March 18, 2009.

If I can be of further assistance, please feel free to contact me at 1-800-222-7000 if outside the Metro Phoenix area or directly at the second of the secon

Sincerely,

Trish Meeter
Public Utilities Consumer Analyst
Utilities Division
Arizona Corporation Commission
\*End of Comments\*

Date Completed: 3/16/2009

Opinion No. 2009 - 77572